

Mr. McLAREN: Yes.

Mr. BOTHWELL: So that your operating profit through the year was evened up by that much as well.

Mr. McLAREN: Yes.

Mr. VAUGHAN: I should like to point out that before this service was undertaken by this company the government paid a private company \$340,000 per annum as a subsidy to carry on this service.

Mr. BOTHWELL: For mail service, something of that kind.

Mr. VAUGHAN: Just for the general service, mail and otherwise to the eastern islands.

Mr. KINLEY: How much subsidy do you get from the West Indies now?

Mr. VAUGHAN: It is in this book, I think.

Mr. ARMSTRONG: \$223,000.

Mr. KINLEY: \$223,000?

Mr. VAUGHAN: That is from the various islands.

Mr. KINLEY: What about the selection of the crews? What is your policy with regard to selecting crews for these boats?

Mr. VAUGHAN: Of course, we give preference to Canadians first. In all cases a very large proportion are Canadians. When we come down to the actual crews, stewards, and so on, we try to make a fair division as between Canadians and West Indians.

Mr. KINLEY: You have an agreement with the eastern lines in regard to that?

Mr. VAUGHAN: A tentative agreement, yes.

Mr. KINLEY: You always prefer Canadians; that is the first consideration.

Mr. VAUGHAN: Yes, it is.

Mr. KINLEY: Does he have any privilege over the British sailor?

Mr. VAUGHAN: Well, he would only have a privilege in this way: if we had two men apply for a position, one a Canadian and one an old countryman, we would give preference to the Canadian if he were competent.

Mr. KINLEY: Have you not seen an advertisement very lately in which the first provision was an extra master's certificate. That is a British certificate, and it puts the Canadian out.

Mr. VAUGHAN: We have plenty of Canadians who are masters on our boats and who have Britishers working under them who have certificates that are far superior to the Canadian certificates.

Mr. KINLEY: The advertisement I have in mind was one that asked for an extra master's certificate, which is issued in England, and which puts the Canadian out at the beginning.

Mr. VAUGHAN: I do not think we advertised.

Mr. KINLEY: I saw it the other day from the Marine Department.

Mr. VAUGHAN: It was not from the Canadian National Steamships. May I make a correction in regard to an answer I gave you a while ago in regard to which service was the more profitable, the eastern or the western service. In gross earnings we show more on the eastern service, but in net earnings we show a little more on the western service. Net earnings on the eastern service were \$334,000; on the western service, \$349,000, although the gross earnings on the eastern service were \$1,700,000 and on the western service, \$1,100,000.

Mr. KINLEY: On the western service you carry passengers, and on the eastern service you handle freight.

Mr. VAUGHAN: We get a profitable banana business from the western service.

Mr. RYAN: There is another matter to which I should like to direct a question and that is in regard to the sheds on the eastern side of the harbour of Saint John. Has there been any agitation to have them renovated?

Mr. VAUGHAN: The question has not come up to us, Mr. Ryan, but I understand the United Fruit Company has had the matter up.

Mr. RYAN: I want to take it up with the minister and I should like to have your moral support.

Hon. Mr. HOWE: It seems to me I heard something about it.